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Laying foundation for economic turnaround, stability

Chow Kum Hor

NOT unlike tales and folklore originating from mythical Bali, the Ninth Asean Summit, concluded this week in the exotic island will likely be talked about for years to come.

The venue itself would have made it a historic summit of sorts for heads of governments for the 10-member country grouping.

Indonesia is the first country to host the summit twice, the first one held some 27 years ago, also in Bali.

In a way, it marks the coming of age for Asean where the chairmanship - hence, the summit venue - is rotated among member countries.

But for Malaysia, and especially for retiring Prime Minister Datuk Seri Dr Mahathir Mohamad, the Bali Summit was an emotional one.

In an unprecedented gesture, Indonesian President Megawati Sukarnoputri, as chairman of the summit, paid tribute to the longest-serving leader in Asia.

Fighting back tears, Megawati said: "There is no way of counting the things he did for Asean.

"Indeed he was the one who worked the hardest to articulate Asean's vision of itself."

From ideas like Asean Incorporated, the inclusion of Japan, South Korea and China as dialogue partners and Asean Vision 2020, Dr Mahathir, as the most senior statesman in the grouping, played a pivotal role in bringing the grouping to a higher plane.

Bidding farewell to his colleagues in Asean, Dr Mahathir said his last summit was one of the best ever and expressed confidence that the grouping would be able to chart its path towards a prosperous and stable future.

Clearly, future growth in the region topped the agenda during the summit, as manifested in the signing of the Asean Concord II, otherwise known as the Bali Concord II.

The concord is a blueprint that lays out the framework of co-operation among Asean members comprising Malaysia, Indonesia, Thailand, the Philippines, Brunei, Singapore, Vietnam, Cambodia, Laos and Myanmar.

The historic charter is founded on three pillars: the Asean Economic Community (AEC), Asean Security Community (ASC) and the Asean Socio-Cultural Community (ASCC).

Seen as the key item, the AEC envisages a common economic region, with free flow of goods, services, investments and capital by 2020.

In a region hoping for a reversal of fortunes following the Severe Acute Respiratory Syndrome (SARS) outbreak, the Bali bombing and threats of terrorism, the AEC provided a much needed hope for an economic rebound.

Concrete goals have been drawn up towards realising the AEC, including elimination of trade barriers in 2005, enhanced transparency in non-tariff barriers by mid-2004, and an agreement on professional services by 2008, among others.

The ASC, comprising a 12-point framework, includes enhanced co-operation among member nations to combat threats like terrorism and transnational crimes.

The primary objective of the ASC is to ensure a stable region, where conflicts are peacefully resolved in accordance with the United Nations charter and other international law.

The ASCC aims to enhance ties between member countries in the areas of women's affairs, youth development, healthcare and development of the

arts, to foster a regional identity.

Another significant outcome of the summit is the accession by nuclear powers China and India to Asean's Treaty of Amity and Co-operation (TAC).

The TAC, signed by leaders of Asean countries on Feb 24, 1976, was aimed at promoting perpetual peace, everlasting amity and co-operation among members.

It is guided by the following principles:

- * mutual respect for the independence, sovereignty, equality, territorial integrity and national identity of all nations;
- * the right of every country to lead its national existence free from external interference, subversion or coercion;
- * non-interference in the internal affairs of one another;
- * settlement of disputes by peaceful means;
- * renunciation of the threat or use of force; and,
- * effective co-operation among themselves.

"With a combined population of 2.4 billion people, China and India's accession to the TAC means that the chances of peace in the region is greater," Dr Mahathir told a Press conference.

Russia was also supposed to sign the treaty in Bali but had to put it off until July, pending the approval of the Duma.

With China and Russia being permanent members of the UN Security Council, any stand taken by Asean could be given added weightage by the two superpowers in the council.

Despite initial fanfare, the Myanmar issue failed to steer the summit away from its main focus of economy and security, although leaders had to walk a tightrope amid mounting international pressure on the matter.

For the first time ever, the summit chairperson's statement touched on the domestic developments of a member country, although the Asean Foreign Minister's Meeting in Phnom Penh last June had also made a stand on Myanmar.

Asean leaders welcomed the recent "positive developments" where Myanmar's military junta had drawn up a road map towards democracy.

Ironically, the Bali Concord II reaffirmed the grouping's long-standing policy of non-interference in the domestic affairs of member countries.

This unprecedented move raises the question of whether the summit will in the future make a stand if the situation deteriorates in Myanmar and how it will affect other member countries which certain superpowers have also accused of holding political prisoners.

That aside, the Ninth Asean Summit was a resounding success, laying the foundation for an economic turnaround and enhanced regional stability.

But for sure, it will be up to Asean leaders to realise plans and programmes drawn up in Bali and not let them become myths and tales of yet another tropical island.